



STEVE BESHEAR
GOVERNOR

COMMONWEALTH OF KENTUCKY
PERSONNEL CABINET
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TIM LONGMEYER
SECRETARY

February 20, 2015

Subject: ACTION REQUIRED: Mandatory Direct Deposit and Electronic Salary Statement Policy

Greetings,

Over the past few years, Governor Beshear's Smart Government Initiative (SGI) has taken steps to reduce the state's operating and processing costs resulting from printing paper checks and checkstubs. With those goals in mind, effective March 15, 2015, direct deposit and electronic salary statements (check stubs) will be mandatory for all individuals paid through the Kentucky Human Resource Information System (KHRIS), including legislative, judicial, and executive branch employees.

Our records indicate you are not enrolled in direct deposit. Please follow the below instructions and do so *before Saturday, March 21, 2015*.

Step one: Choose which direct deposit option (Bank Account or Payroll Card) is best for you.

A bank account allows for direct deposit of your pay to a checking or savings account from a financial institution of your choice. A payroll card allows for direct deposit of your pay to a prepaid debit card sponsored by Bank of America. *To help you decide which option is best for you, please review the enclosed Direct Deposit Enrollment Option Information and Instructions document.*

Step two: Enroll.

Choosing a bank account requires active enrollment no later than March 21, 2015. The enclosed document provides directions for both. Choosing a Payroll Card requires no action. Anyone who has not enrolled in direct deposit using a bank account by the above date will simply be set-up for a Payroll Card, with pay being deposited to it beginning in June. *Paper checks will not be issued.*

How to view your salary statement

You may access your electronic salary statement online by logging in to the Employee Self Service (ESS) feature of KHRIS. A guide to accessing and understanding this statement is also included in this packet. This option is already available to you but will be required for use, in order to review pay details, once you are enrolled in direct deposit.

If you have additional questions after you review this information, you are encouraged to contact your HR Administrator. Thank you in advance for your cooperation and compliance with this new policy.

Sincerely,

A handwritten signature in black ink that reads "Tim Longmeyer".

Tim Longmeyer, Secretary



Information about direct deposit

Direct deposit is an electronic method used to distribute payroll by having your pay deposited directly into an account at a financial institution of your choice or onto a payroll card. This free service is provided because it is safe, fast, reliable and convenient. Not only is it a valuable benefit to you, but it provides tremendous cost savings to the state.

On pay day, your net pay is deposited directly into your account or onto your payroll card by electronic funds transfer. With direct deposit, there are no more worries about unreliable mail service and no more concerns about lost or stolen checks. No more long lines waiting to deposit or cash a paycheck. Whether or not you're scheduled to work on payday or inclement weather prevents you from getting there, your pay is already waiting on you without the need to physically go and pick it up!

Answers to frequently asked direct deposit questions

IS DIRECT DEPOSIT REQUIRED FOR USE BY ALL EMPLOYEES?

Yes. Direct deposit is required for use by all individuals paid through the Kentucky Human Resource Information System (KHRIS) which includes all judicial, legislative, and executive branch employees.

WHAT IF I DO NOT ENROLL IN DIRECT DEPOSIT, BY THE GIVEN DEADLINE?

A payroll card will be automatically created for you and provided in place of a paper check. It will be the only means for accessing your pay, unless you choose to enroll in direct deposit using a personal account from a financial institution of your choice instead.

CAN I CLAIM A HARDSHIP AND REQUEST TO BE EXEMPTED FROM THIS POLICY?

No. Only day laborers and state active duty employees are exempt from this policy. All others are required to make a selection for direct deposit and enroll accordingly.

HOW WILL I KNOW WHEN I HAVE BEEN PAID BY DIRECT DEPOSIT?

This may vary based on the option you select for direct deposit. Some financial institutions offer features such as text and/or email alerts when funds are deposited to your personal account. Additionally you may be able to check your balance through other customer service options such as online, by phone, at an ATM, or with teller-assistance. All of these options are available with the payroll card.

WHEN CAN I WITHDRAWAL MY MONEY USING DIRECT DEPOSIT?

Most financial institutions make the funds available for withdrawal at the beginning of business on the same day as pay day. If you enroll using a personal account you should check with your individual financial institution concerning fund availability and withdrawals. Funds are deposited to the payroll card (Bank of America's CashPay VISA pre-paid debit card) by 6:00 a.m. eastern time on pay day and are available for immediate use.

WHERE CAN I LEARN MORE ABOUT DIRECT DEPOSIT AND MY ENROLLMENT OPTIONS?

Please visit the Personnel Cabinet's website (<https://personnel.ky.gov/>) to find additional information about direct deposit, enrollment options and to view a full listing of answers to frequently asked direct deposit and payroll card questions, under Benefits/ Pay/ Direct Deposit. You may also consult with your agency HR office.